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- (3) Editorial: Abe politics to be judged by voters in Upper House election

ASAHI (Page 3) (Full)  
July 12, 2007

The official campaign for the July 29 House of Councillors election kicks off today. It is the first time for Prime Minister Shinzo Abe, who assumed office last September, to fight a major national election.

When Abe won big in the presidential race of the Liberal Democratic Party (LDP) about nine months ago, he would not have expected that he would receive his first public judgment under a severe adverse wind.

Abe has to go to the election campaign while dealing with the pension-record mess, money scandals involving cabinet ministers, and insensitive comments by cabinet members.

Abe was supposed to ask for a vote of confidence through the Upper House election by playing up his own policy imprint, which differs from that of former Prime Minister Junichiro Koizumi. To that end, he steamrolled many bills into law, including a national referendum bill.

He has set up several advisory panels on educational reform and the interpretation of the right to collective self-defense, urging panels to come up with recommendations.

Appearing on TV, Abe said, "I want the public to assess the results I have produced over the last nine months." He must be unwilling to fight in the election under the present situation.

Of course, the pension fiasco is a major issue in the upcoming election. It is necessary to debate how to respond to public distrust and anger and how to create a system and organization people can rely on.

At the same time, the main purpose of the upcoming election is that voters will check what the Abe administration has done or has not done over the last nine months. People should not forget this.

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For Minshuto (Democratic Party of Japan) the meaning of this Upper House election is extremely significant. It will be a great chance for the party to rebound from its humiliating defeat in the House of Representatives election in 2005.

Should the opposition camp secure a majority in the Upper House, it will be able to reject bills passed by the government and ruling coalition, as well as to decide methods for conducting deliberations. Although the ruling camp holds a majority in the Lower House, it won't be able to manage politics under its leadership.

Even if the ruling coalition loses its majority in the Upper House, the reins of government will not be transferred from the LDP to Minshuto. However, in case the opposition drives Abe to dissolve the Lower House for a general election, such will become a major foothold for a political change. A political realignment might then occur.

Ozawa said that he would resign as a politician if the opposition camp fails to gain control in the Upper House. This is because he might have assumed that the upcoming election will be a decisive battle for a two-party system, which he has long sought. The three matters, including the politics-money issue rekindled by a political fund scandal involving Agriculture Minister Norihiko Akagi, are important campaign issues. Let us pay attention to debate on these matters among political parties, including the New Komeito, Japanese Communist Party, and Social Democratic Party. Let's remember that we are required to choose -- Abe's policy of emerging from the postwar regime or Ozawa-led Minshuto's two-party system -- for the future course of Japan's politics. We should closely watch the 18-day campaign.

(4) Editorial: Upper House election occasion to judge 10-month-old Abe administration

NIHON KEIZAI (Page 2) (Full)  
July 12, 2007

The 21st regular election of the House of Councillors is to be officially announced on July 12. The ruling and opposition parties

will kick off fierce election campaigns to win a majority in the Upper House with the pension flap, regional revitalization, agriculture, and the shady ties between politics and money as campaign issues. The upcoming election is a very important national election through which voters will pass judgment on the Shinzo Abe cabinet, which was inaugurated last September. There is the possibility of a major change occurring to Japanese politics, depending on the outcome of the election.

We want to see in-depth discussion take place on pension system

Some 121 seats (73 for electoral districts and 48 for proportional representation), half the number of the Upper House seats, are up for election. In order for the ruling Liberal Democratic Party (LDP) and New Komeito to maintain a majority, they need to secure at least 64 seats. The major focus of the election is whether the opposition, including the Democratic Party of Japan (DPJ or Minshuto), can force the ruling camp into the minority.

Public approval ratings for the Abe cabinet have plummeted since the revelations of the mishandling of pension premium payment

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record-keeping. The LDP is forced to fight a difficult battle due to a series of controversial remarks and office expenses issues caused by cabinet ministers. Prime Minister Abe is determined to make a public appeal of his policy of reconstructing the pension system and revitalizing education and regional districts.

Opposition parties are criticizing the LDP-New Komeito administration for having widened income disparities and made people less secure. The DPJ has made the following three proposals the pillars of its election pledges with the aim of forcing the ruling camp into the minority and realizing a change of administration in the next Lower House election: (1) issuing pension books to all contributors; (2) setting up a child allowance system, under which 26,000 yen is paid for each child; and (3) introducing a farm household income guarantee system.

Prior to the official announcement of the Upper House election, a party head debate was held at the Japan National Press Club on July 11. The focus of the discussion was the pension issue as expected. Regarding the pension fiasco, the prime minister has come up with extensive measures also including arguments made by the DPJ and the Japanese Communist Party. At the debate yesterday, Abe said that he had adopted every possible measure. Points at issue are gradually shifting from measures to deal with unidentified pension premium payment records to discussions on the nature of the pension system.

DPJ head Ozawa has proposed introducing a minimum pension guarantee system financed by the current consumption tax, targeting those in the relatively low income bracket. The prime minister and New Komeito head Akihiro Ota raised doubts about the feasibility of Ozawa's proposal, noting that the funding is unclear and that the plan does not include the amount of a minimum pension guarantee and income limitation. They asked how the DPJ intends to determine the income of the self-employed.

The ruling camp noted that the ratio of state contribution to the basic pension should be raised to 50 % in fiscal 2009, but they have not yet mentioned how to secure 2.5 trillion yen to finance the plan. Prime Minister Abe steered clear of categorically saying anything about the consumption tax, simply noting, "I would like to bring a situation in which a consumption hike can be thwarted by such means as spending cuts and economic growth."

Concerning the present system of requiring 25 years of contributions in order to be eligible to receive benefits, Ota proposed looking into the possibility shortening the contribution period. We welcome the ruling and opposition camps pursuing in-depth discussions of the pension system in order to dissolve anxieties felt by the public.

If they deepen discussions on the pension system and financial resources, they would find it necessary to discuss ways to reconstruct Japan's public finances. The DPJ estimated that expenses needed to implement measures included in its manifesto would be 15.3

trillion yen and that the amount should be secured by streamlining subsidies and cutting administrative expenses. The prime minister also noted that in order to achieve a primary balance by fiscal 2011, it would be necessary to cut expenditures by 12-14 trillion yen.

Political parties should compete over drastic administrative and fiscal reforms

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Both the LDP and the DPJ stressed they would cut expenditures in a far-reaching manner, but they dodged discussion of the consumption tax. Their manifestoes do not include any specific measures or process to cut expenditures. Unless they come up with persuasive visions for administrative and fiscal reform, they will not be able to gain understanding from voters.

A change of administration is not at stake in an Upper House election. It is an election to choose half the number of seats in the second chamber of the Diet. An Upper House election could mean an interim evaluation of the administration in power. For the Abe administration, which has yet to undergo voters' judgment in a Lower House election, the upcoming Upper House election will be the first election through which it will undergo a real judgment. Its political meaning is immense. If the ruling camp loses a majority, it will have a serious impact on the management of the administration and its policy direction.

A defeat in the Upper House election of the ruling parties will not directly lead to the question of whether or not the prime minister should resign. There is no Diet vote for prime minister after an Upper House election. However, there have been cases in which prime ministers stepped down following defeats in Upper House elections. It is naturally desirable that as many voters, with whom sovereign power resides, as possible take part in balloting for the Upper House election.

(5) Advice to Prime Minister Shinzo Abe -- Fight with confidence

SANKEI (Page 3) (Abridged slightly)  
July 12, 2007

By Yoshiko Sakurai

It is clear from the international situation surrounding Japan that the world is in need of value-oriented diplomacy, as is advocated by Prime Minister Shinzo Abe. At the same time, the loss of basic values by a country's top leader could throw the country into turmoil and harm its national interests. Japan's vicinity is filled with such examples.

South Korea is clearly showing dangerous signs. The Grand National Party (GNP), a conservative-leaning opposition party in South Korea that has fought with the Kim Dae Jung and Roh Moo Hyun administrations, has now turned around its policy. On July 4, the GNP in an apparent reversal of its previous stance released what it called the Vision for Peace on the Korean Peninsula, pledging to extend substantial aid to North Korea's Kim Jong Il regime without forcing it to abandon its nuclear programs. The GNP's policy has leaned toward the North almost to the point of being identical to that of the Roh administration.

The unnecessary policy change by the highly popular GNP is mainly ascribable to the United States' major concessions to North Korea during the six-party talks in February.

More specifically, the conservative South Korean party's move resulted from Secretary of State Rice and other leaders' pointless shift to a pragmatic policy course to join hands with Kim Jong Il. The GNP feared that South Korea might be left behind.

Tilts toward North Korea by Washington and Seoul will not help

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resolve the North Korean missile standoff or block China's latent control. Their compromises come from a lack of solid national visions and beliefs.

Their concessions will end up increasing the influence of North Korea and China. Abe diplomacy must stand firm, realizing that Japan's role is to play a central role in spreading such values as democracy, freedom, human rights, and the rule of law in Asia in place of the shaky United States.

China's National University of Defense has released what is called the national defense program 2010. In the report, Japan and the United States are specified as China's major strategic targets that might intervene in Taiwan affairs and a battle in the Taiwan Strait. What is more interesting is the following passage on a battle in the Taiwan Strait: "Deployment of ground-based fighters will be basically sufficient to achieve China's objective in dealing with Japan and the United States."

Where does that confidence come from? China apparently thinks that armed with missiles and nuclear warheads that have all of Japan, including Tokyo and Osaka, in range, it can intimidate Japan and constrain it. China must think the same way toward the United States. China now possesses missiles and nuclear warheads capable of reaching the continental United States and the ability to attack satellites to destroy communications systems to temporarily freeze the United States' military response. China might someday decide to use those capabilities, thinking that it will be able to contain the United State's move at the same time.

What is the United States' view of a China that has those political and military ambitions? The latest issue of Foreign Affairs carries an essay by Barack Obama, a candidate for the Democratic presidential nomination, which expresses his determination to forge a more effective framework in Asia that goes beyond bilateral agreements. "A framework that goes beyond bilateral agreements" can be taken to mean a structure that goes beyond the Japan-US alliance. Obama's essay also read: "I will also encourage China to play a responsible role as a growing power -- to help lead in addressing the common problems of the twenty-first century."

Needless to say, this is Obama's personal position. At the same time, many American people put high priority on Japan, as seen in the Wall Street Journal July 9 editorial that gave a positive assessment to Prime Minister Abe's value-oriented diplomacy.

The prime minister must work harder to deepen mutual understanding with those people attaching importance to Japan. What they are watching is his visions and his resolve to realize them. Recent developments from the establishment of the Defense Ministry to the enactment of national referendum legislation as the first step to constitutional revision to the reforms of the civil servant system and the Basic Education Law were all designed to bring visions to Japan. Level-headed individuals welcome such changes in Japan as a major international player.

Prime Minister Abe has also settled an old lawsuit filed by Japanese orphans left behind in China in the closing days of WWII. Additionally, he is endeavoring to reach a settlement with people suffering from hepatitis resulting from contaminated blood products. Even the Asahi Shimbun highly evaluated those achievements reflecting strong national sentiments.

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Prime Minister Abe has steadily resolved long-standing issues that have been left unattended by successive administrations due to a lack of national visions and consideration to the general public. His achievements deserve high marks.

To begin with, a House of Councillors election must serve as an opportunity to discuss basic politics and how politics should deal with the public. Although attention is focused only on the pension issue in this year's election, Prime Minister Abe should fight with confidence.

(6) Survey: Sharp increase in "netizens" between 40 and 50 years of age, Overall usage as compared to 5 years ago increased 13 points to 59 %

TOKYO SHIMBUN (Page 1) (Full)  
July 12, 2007

The Ministry of Internal Affairs and Communications yesterday announced the results of their survey on household economy which measured internet use during a one year period starting in October 2005. Compared to the results of a similar survey conducted 5 years ago, the amount of people who used the internet during a one year period increased by 15,000,000, bringing total number of internet users to 67,500,000. A drastic jump in the number of internet users in their 40s and 50s was a leading factor in the overall increase.

In their analysis of the results, the ministry described the increase as a result of "the diffusion of the internet into daily life via cell phones, PHS and email."

About 80,000 households nationwide were selected at random for this survey, and using responses received from around 180,000 people over the age of 10 last October, the ministry came out with these estimated numbers. Internet usage related to work or academics was excluded from the results.

At 59.4 % , internet usage was up 13 points compared to the previous survey (which included work and academic-related internet use). Usage increased among all age groups, but increases were especially dramatic among women ages 40-44, up 31.2 points to 80.6 % , and women ages 45-49, up 34.4 points to 71.5 % .

Use centered on "email" and "information and/or news gathering," and 39.2 % of women ages 40-44 said they used email "more than 200 days a year (more than four times a week)."

(7) Kasumigaseki Confidential column: Meandering US-Japan relations

BUNGEI SHUNJU (Page 234) (Excerpt)  
August, 2007

Prime Minister Shinzo Abe and his cabinet have been going in circles regarding the pension problem. This meandering has not stopped at domestic affairs but has also begun to affect foreign diplomacy, namely the safety net of US-Japan relations.

One cause is North Korea. Last July, just before the Liberal Democratic Party (LDP) presidential election, North Korea launched ballistic missiles, and just after the new administration was inaugurated, they conducted a nuclear test. PM Abe's signature

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policies towards the DPRK - political pressure and a hard-line stance - matched perfectly with the attitude of the Bush administration and were a main reason behind the high support rate that the Abe cabinet enjoyed.

One year later, the US switched to a dialogue-oriented, flexible stance towards the DPRK, and Assistant Secretary of State Christopher Hill made a surprise visit to North Korea. Furthermore, the GOJ was told about the planned visit while Hill was visiting Japan, only right before it was to happen. Asian and Oceanian Affairs Bureau Director General Kenichiro Sasae was asked to keep the visit a secret until Hill departed and had no control over the situation. Hearing reports from Sasae, Vice-Minister for Foreign Affairs Shotaro Yachi could not hide his skepticism, asking, "Is there any point in going to North Korea?"

Foreign Minister Taro Aso made public the discomfort of Foreign Ministry leaders in a press conference by stating, "There is nothing more foolish than rushing over in a panic and showing weakness." Coming from Aso, the strongest "post-Abe" candidate, these words gave a shock to those in the US who deal with US-Japan relations.

Another cause behind the wavering of US-Japan relations is the

"comfort women" issue and the passage of a resolution by the US House of Representatives Committee on Foreign Affairs calling on the GOJ to apologize. Through the efforts of Japanese Ambassador to the US Ryozo Kato and others, PM Abe personally met with committee members during his US visit in April to offer explanations regarding the issue, and as a result, Director-General of the North American Affairs Bureau Shinichi Nishimiya and others thought that the issue had been put aside.

However, the placement of an ad in the Washington Post by Abe's political ally Diet member Takeo Hiranuma, former Japanese Ambassador to Thailand Hisahiko Okazaki, and others completely changed the situation. As a result of the ad, Committee Chairman Tom Lantos himself decided to support the resolution.

PM Abe's core group of confidantes, including Foreign Policy Bureau Policy Coordination Division Director Nobukatsu Kanehara and Executive Assistant Hajime Hayashi, have pushed for Abe's brand of diplomacy which brandishes the "shared values" of the US and Japan. As a result, Abe and those around him have exposed their weaknesses in a most miserable manner.

SCHIEFFER